

# STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION  
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PETITION OF SOUTHERN INDIANA GAS )  
AND ELECTRIC COMPANY d/b/a VECTREN )  
ENERGY DELIVERY OF INDIANA, INC. )  
FOR APPROVAL OF AN AMENDMENT )  
TO AN ELECTRIC SERVICE CONTRACT )  
WITH MG INDUSTRIES AND )  
ESTABLISHMENT OF CONFIDENTIAL )  
PROCEDURES )

CAUSE NO. 42419

FILED

OCT 27 2003

INDIANA UTILITY  
REGULATORY COMMISSION

You are hereby notified that on this date the Indiana Utility Regulatory Commission ("Commission") has caused the following entry to be made:

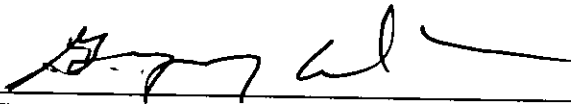
At the October 16, 2003 evidentiary hearing in this matter, the parties agreed that Petitioner should be allowed to late-file an exhibit answering a question from the presiding officer. On October 21, 2003, Petitioner submitted its late-filed exhibit.

Upon reviewing the late-filed exhibit, the presiding officer has three follow-up questions for Petitioner. In lieu of a hearing, the presiding officer would be agreeable to receiving answers to the follow-up questions in the form of a supplemental late-filed exhibit. The three questions are as follows:

1. How does SIGECO currently treat the revenue earned and expenses incurred from the off-system sale of electricity that is *generated* by SIGECO in its computation of net operating income applicable to retail customers for purposes of the FAC earnings test? What Commission orders or other legal authority can SIGECO point to that authorizes this treatment?
2. How does SIGECO currently treat the revenue earned and expenses incurred from the off-system sale of electricity that is *purchased* by SIGECO in its computation of net operating income applicable to retail customers for purposes of the FAC earnings test? What Commission orders or other legal authority can SIGECO point to that authorizes this treatment?
3. Under the proposed special contract with MG Industries, when SIGECO makes economic sales of electricity that it generates, how will SIGECO treat the expenses incurred to facilitate those economic sales when computing the net operating income applicable to retail customers for purposes of the FAC earnings test?

Petitioner is directed to file written answers to these questions by October 31, 2003.

**IT IS SO ORDERED.**

  
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Gregory S. Colton, Administrative Law Judge

*October 27, 2003*  
\_\_\_\_\_  
Date

*Nancy E. Manley*  
\_\_\_\_\_  
Nancy E. Manley, Secretary to the Commission